



July 31, 2015

The Honorable Daniel R. Elliott III
Chairman
Surface Transportation Board
395 E. Street S.W.
Washington, DC 20423-0001

Dear Chairman Elliott:

This letter is in response to your request for an assessment of fall peak expectations and our ability to meet the service demands of our customers.

Iowa Interstate Railroad, Ltd. (IAIS) has historically handled seasonal peaks well through careful planning and frequent communication with our customers. As information, we do not normally experience seasonal material surges in carload volumes. Based on our discussions with customers, IAIS expects no significant change to corn volumes in 2015 vs 2014. Ethanol shipments fluctuate more based on market vs. seasonal changes, but we have not and do not anticipate major delays in accepting or delivering cars to our connecting carriers.

IAIS hires on a continuous basis to maintain our workforce. We have also recently added to our locomotive fleet to accommodate increased service demands. Our railcar fleet has proven adequate to handle grain shipments consistent with our customers' demands and current projections on our service territory.

We are prepared to handle severe winter weather on our service territory by ensuring that all personnel, facilities, and power are furnished with proper winter preparedness. IAIS constantly communicates and coordinates with our customers and connecting carriers to handle train schedules. We adjust our operation by slotting trains based on the Chicago and Peoria switching carriers' and Class 1 carriers' ability to receive trains. Dependent on circumstances, we will run extra jobs to accommodate fluctuations in carload volume.

In conclusion, our service performance is consistent and reliable throughout the year. We continue to work with our customers to create service plans that work to allow for growth.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerome P. Lipka".

Jerome P. Lipka
President/CEO